HARDSHIP FINANCIAL ASSISTANCE CALCULATION CLEAN WATER FUND PROGRAM

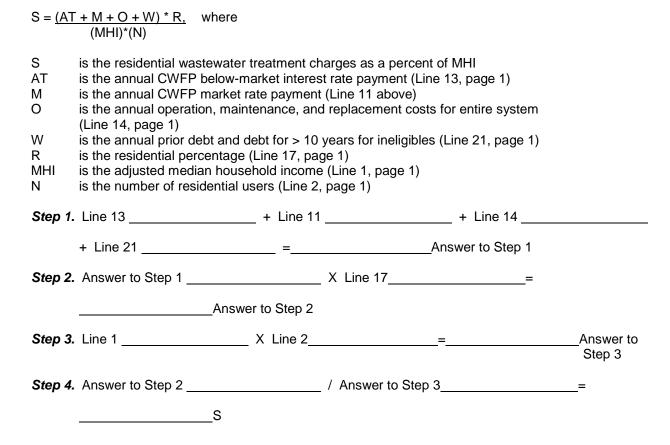
(1) Municipality's Median Household Income =	\$	From:
		Y:\Aid\documents\EIF\Forms\ACS 2011 5YR MHIs Places.pdf
(2) Number Of Residential Users (Households) =		(N) Individual housing units
(2) Number of Neddermal Cools (Households) =		(11) mainada nedenig ania
(3) Total Project Costs =	\$	Engineer's most recent estimate
(4) Ineligible Project Costs =	\$	e.g. laterals or hook-up fees
(5) Grants From Other Sources =	\$	e.g. Rural Development or CDBG
(6) Line (3) minus Line (4) minus Line (5) =	\$	Costs Eligible for CWFP Funding
(7) Parallel Cost Percentage or PCP =		%
(8) Line (6) times [1 - Line (7)] = *Example below	\$	Industry/Growth Market Costs
(9) Other Market Costs =	\$	
(10) Line (8) plus Line (9) =	\$	Total Market Rate Costs
(11) Line (10) @ 3.500% for 20 years = **See below for steps to follow on calculator	\$	(M) Annual Market Rate Payment
(12) Line (6) minus Line (10) =	\$	(P) Eligible for Below Market Interest Rate
(13) Line (12) @ 2.625% for 20 years = ***See below for steps to follow on calculator	\$	(AT) Annual Below-Market Rate Payment
(14) Estimated Annual Operation, Maintenance & Replacement Costs =	\$	(O)
(15) Residential Flow in Plans & Specs =		<u> </u>
(16) Total Flow in Plans & Specs =		
(17) Line (15) divided by Line (16) =		(R) Residential Percentage
(18) Outstanding P+I On Old Wastewater Debt =	\$	Not interim financing for this project
(19) Debt > 10 Years For Ineligibles =	\$	
(20) Line (18) plus Line (19) =	\$	Total Prior Wastewater Debt
(21) Line 20 divided by 20 years = (or by number of years remaining on debt if greater than 20 years).	\$	(W) Annual Prior Debt

^{*}For example, if the eligible costs are \$100,000 and the PCP is 99%, the equation is 100,000 X (1-0.99) = \$1,000.

^{**}To determine (M), Annual Market Rate Payment, follow these steps on a financial calculator (HP12C or similar): Put in amount from Line 10, press PV, type 4.3, press i, type 20, press n, then press PMT, then CHS.

^{***}To determine (AT), Annual Below-Market Rate Payment, follow these steps on a financial calculator: Put in amount from Line 12, press PV, type 2.365 or 3.010, press i, type 20, press n, then press PMT, then CHS.

Equation for Determining Eligibility



If S is greater than 2% (.02), the municipality meets the second criterion for hardship financial assistance eligibility. Proceed to the calculation of type and amount of assistance.

If S is 2% (.02) or less, the municipality does not meet the second criterion for hardship financial assistance eligibility but may request a CWFP loan at the regular below-market interest rate.

Equation for Determining Type of Assistance and Amount

i. Press i (Answer is your interest rate on below-market rate costs)

(MHI)(N)(.02) = A A/R = B B - O - W - M = C P/20 = D D - C = H	
(MHI, Line 1 of Inputs) times (# of Res. Users, Line 2) times (2% or $.02$) = Amount Residential Users Can Afford =	\$ (A)
(Amount Residential Users Can Afford) divided by (Residential %, Line 17) = Amount Entire Municipality Can Afford =	\$ (B)
(Amount Municipality Can Afford) minus (O,M&R, Line 14) minus (Prior Debt, Li minus (Annual Market Rate Cost, Line 11) = Amt. Muni Can Afford to Pay Annually for CWFP Debt Service =	ne 21) \$ (C)
(Project Costs Eligible for Below Market Interest Rate, Line 12) divided by (20) : Annual Debt Service at 0% =	= \$ (D)
(Annual Debt Service at 0%) minus (Amount Municipality Can Afford for CWFP Service) = Annual Grant Amount =	Debt \$ (H)
IF (H) IS POSITIVE, THE FOLLOWING EQUATION APPLIES:	
(Annual Grant Amount) times (20) = H \times 20 = Total Grant Needed to Get to 2% of MHI =	\$
70% of Costs Eligible for Below Market Rate Interest = Line 12 X .7 = Maximum Grant =	\$
Total Grant Needed to Get to 2% or Maximum Grant, whichever is less = Total	Grant = \$
Line 10 of Inputs section = Total Market Rate Amount =	\$
(Total Costs Eligible for CWFP Funding, Line 6) minus (Total Market Amount, L minus (Total Grant above) = Total 0% Loan =	ine 10) \$
Total Grant + Total Market Rate Amount + Total 0% Loan = Total Amount of Assistance Municipality is Eligible for (should = Line 6 of inputs section) =	\$
IF (H) IS NEGATIVE, PERFORM INTEREST RATE CALCULATION ON FINAN	ICIAL CALCULATOR:
 a. Put in amount in (C) above b. Press ENTER c. Press CHS d. Press PMT e. Put in amount in Line 12 of inputs section (P) f. Press PV 	-C = Payment P = Principal 20 = Term
g. Put in the number 20 h. Press n	